



STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
AGING AND DISABILITY SERVICES ADMINISTRATION  
*P.O. Box 45600, Olympia, Washington 98504-5600*

February 26, 2010

TO: ADSA Staff and Stakeholders

FROM: Kathy Leitch, Assistant Secretary   
Aging and Disability Services Administration (ADSA)

SUBJECT: **HOUSE AND SENATE PROPOSED 2010 SUPPLEMENTAL BUDGETS**

On Tuesday, February 23, the Senate and House released their proposed 2010 Supplemental Budgets. I have listed some key budget items for ADSA in an attached document that compares the legislative documents to Governor Chris Gregoire's Book 2 Budget that she released January 12.

Overall, both the Senate and House versions restore similar cuts as the Governor's Book 2 budget, as well as restoring some additional cuts. Neither budget calls for any additional service cuts beyond what was in Book 2.

A number of new investments were made in the portion of the ADSA budget that supports people with developmental disabilities. The fact that legislators restored or added funding in this financial environment is a strong statement of their interest in improving the person-centered system of care that provides for self-reliance, necessary supports and protections so important to the Division of Developmental Disabilities (DDD) clients and their families. You can review the proposed investments under Service Additions on page five of the attachment. Examples include:

- Create state-operated community residential settings for children with high needs.
- Employment services for graduating high school students on waivers.
- The addition of community residential services - including community protection.
- Both the Senate and House restore the Governor's reductions to Individual and Family Support.
- Unlike the Governor and the Senate, the House does not eliminate state-only employment services, and actually increases the number of graduating high school seniors who can receive this service.
- The House also funds community residential services for additional clients by allowing residential vacancies to be filled, restoring a 2009-11 budget cut.

Another area of the budget I want to highlight is the support ADSA has received to ensure that the entitlement to long-term care supports, and choice in how and where the support is provided remains intact. Examples include:

- Additional funding would provide for services and casework staff for the increased number of eligible clients.
- State funding would be provided to maintain service levels in Adult Protective Services and Residential Care Services, preventing reductions in service and staffing to programs that protect vulnerable adults.
- All three budgets impose a license fee increase on Adult Family Homes, Boarding Homes and Nursing Homes that will reduce the cost to the general fund for licensure and re-inspection services.

Finally, here are some other key ADSA budget proposals or actions:

- The Senate and House did not choose to postpone increases in training and certification of long-term care workers.
- The Senate and House both propose a reduction to nursing home rates in Fiscal Year 2011, but the manner of the reduction – as well as the amount – differ.
- The number of people eligible for Medicaid Personal Care is reduced in both the Governor and Senate's budget but it is not reduced in the House budget.
- The Governor and the House restore Senior Citizens Services Act (SCSA) funding to current levels while the Senate restores about 85% of the Original cut - reducing SCSA by one million dollars from the currently funded level.
- All three budgets fund Adult Day Health, but with a lidded enrollment that will allow current clients to be served, but that will slow entry of new clients.
- All three budgets take a different approach to the level of funding for the DDD Residential Habilitation Centers (RHCs) and alternative community services. As part of the Governor's policy to reform services for persons with developmental disabilities, her budget proposed closing Frances Haddon Morgan Center by June 2011, with plans to close Rainier School by June of 2014. The Senate proposes closing Frances Haddon Morgan Center and serving current residents in the community or at other RHCs. The House does not propose any facility closures, but does propose savings for closing one cottage at Rainier School. In addition, the Governor and House budget proposals take a two percent across-the-board reduction to all RHC funding.

- The Senate and House reduce the amount of funding earmarked for services to people with Traumatic Brain injury by \$2 million. \$900,000 remains in the earmarked fund to support prevention activities, emergency support, housing resources and other TBI services.

Non-ADSA budget items of importance:

- Medicaid “optional” benefits are restored such as adult vision, hearing, podiatry, physical, occupational and speech therapy, hospice and the Interpreter Program. Adult dental is funded in all three budgets. However, the Senate reduces enhancements.
- Medicare Part D Co-Pay Program for 85,000 people, which was cut in the Governor’s budget, is restored in the Senate and House proposals. The restoration relies on federal Medicaid Part D money.

New revenue is key to all three budget proposals. There are assurances that the federal government will come through with additional money for Medicaid services. However, intense discussions about the different proposals to garner new tax revenue or close tax loopholes to balance the budget puts us in a “wait and see” mode. For detailed information, visit the [House Budget](#) and the [Senate Budget](#) Web sites.

We are less than two weeks away from the legislature’s adjournment day of March 11. I promise to keep you updated on key budget decisions as the session continues.

Attachment